

EXHIBIT 3

U.S. Department of Labor

Wage and Hour Division
201 Varick Street
New York, New York 10014

Telephone: (212) 337-2000
Fax: (212) 620-6957 96-211-36000



April 30, 1996

William Tam, C.P.A.
Tam and Nester
132 Nassau Street
New York, NY 10038

Dear Mr. Tam:

Thank you for the information you provided concerning the employees who have worked at the Nice Restaurant in the past 6 months.

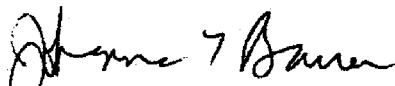
Enclosed is the Summary of Unpaid Wages which shows the back wages due each employee based the company's not paying the overtime premium. I computed back wages by multiplying one-half the employee's hourly rate times 2 hours times the number of weeks worked. For the tipped employees making \$2.90, I multiplied one-half the minimum wage times 2 hours times the number of weeks worked.

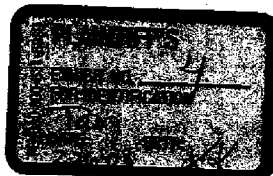
Please let me know by May 15, 1996 whether you will agree to pay these back wages so that I may either send you the back wage receipt forms or submit the file for further action.

If you have any questions or wish to discuss the computations you may reach me at the above number.

Thank you for your help and cooperation.

Sincerely,


Johanna L. Bauer
Investigator



OT 0000176

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Summary of Unpaid Wages

New York District Office
26 Federal Plaza, Room 3838
New York, NY 10278

Investigator: 04/30/96
Johanna L. Bauer
Federal Tax I.D.: 13-3250413

Employee Name	Date Begin	Date End	Hourly Rate	Number Weeks	Back Wages Due	7ICA 7.65%	No.
Sze-Kit Wu	09/01/95	02/29/96	\$5.54	25.86	\$143.25	✓ 10.95	132
King-Piu Hiu	09/01/95	02/29/96	\$5.25	25.86	\$135.75	✓ 10.38	125
To-Ha Lam	09/01/95	02/29/96	\$4.75	25.86	\$122.82	✓ 9.40	113
Luong-Quoi Tran	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Shi-Tie Wu	09/01/95	02/29/96	\$4.50	25.86	\$116.36	? 8.90	107
Zai Sheng Yu	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Cheuk-Ping Hui	09/01/95	02/29/96	\$4.40	25.86	\$113.77	✓ 8.70	105
Au Shiu-Wing	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Yu-Shu Wan	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Giao-Xiong Li	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Pak Sing Woy	09/01/95	02/29/96	\$4.40	25.86	\$113.77	✓ 8.70	105
Yam-Cheung Yung	09/01/95	02/29/96	\$5.00	25.86	\$129.29	✓ 9.89	119
Wing-Kong Yai	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Tsang-Luen Ng	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Zhen-Huai Chen	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Kwok-San Wong	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
John Lam Tan	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Wei-Hai Li	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Sheng-Xian Sun	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Gian-Hong Eng	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Song Li	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Tat-Ming Cheung	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Wai-Kong Chan	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Yat-Chung Chan	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Rong-Jian Chen	09/01/95	02/29/96	\$2.90	25.86	\$109.89	x 8.41	101
Ying Ming Chan	09/01/95	02/29/96	\$2.90	25.86	\$109.89	✓ 8.41	101
Min-Sing Chu	09/01/95	02/29/96	\$2.90	25.86	\$109.89	✓ 8.41	101
Xian-Zhong Zheng	09/01/95	02/29/96	\$2.90	25.86	\$109.89	? 8.41	101
Yan-Chu Huang	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Zhen-Zhong Dong	09/01/95	02/29/96	\$4.50	25.86	\$116.36	✓ 8.90	107
Rong-Guang Zeng	09/01/95	02/29/96	\$4.40	25.86	\$113.77	? 8.70	105
Kwong Tu	09/01/95	02/29/96	\$4.40	25.86	\$113.77	✓ 8.70	105
Kwai-Ping Yip	09/01/95	02/29/96	\$4.25	25.86	\$109.89	✓ 8.41	101
Zhen Sheng Qiu	09/01/95	02/29/96	\$4.25	25.86	\$109.89	? 8.41	101
Ben H Tom	09/01/95	02/29/96	\$2.90	25.86	\$109.89	✓ 8.41	101
Way Wong	09/01/95	02/29/96	\$2.90	25.86	\$109.89	✓ 8.41	101
Shing Chan	09/01/95	02/29/96	\$2.90	25.86	\$109.89	✓ 8.41	101
The Nice Restaurant 35 East Broadway New York, NY 10002					Total:	\$4,250.66	32519 3925

OT 0000177

U.S. Department of Labor

Employment Standards Administration
Wage and Hour Division
26 FEDERAL PLAZA, ROOM 3838
NEW YORK, NY 10278-0190
(212) 264-8185



May 30, 1996

Ben Tom
The Nice Restaurant
35 East Broadway
New York, NY 10002

Reply to the Attention of:
96-211-36000

Subject: FLSA - minimum wage/overtime violations.

Dear Mr. Tom:

The recent investigation of your firm conducted by Investigator Johanna Bauer under the Fair Labor Standards Act (FLSA) covered the period September, 1995 to March, 1996. The investigation determined that your employees are subject to the requirements of the FLSA.

The investigation disclosed violations of FLSA section 7 resulting from the failure to pay statutory overtime pay for hours worked in excess of 40 hours per week. These violations resulted in underpayments totaling \$4,250.66 due to 37 employees.

Investigator Bauer has advised me that you have agreed to comply fully with all the provisions of the FLSA in the future and that you have agreed to pay the above-described back wages in full by May 15, 1996.

We would like to direct your attention to section 16(e) of the FLSA and Regulations, Part 578. As you will note, section 16(e) provides for the assessment of a civil money penalty for any repeated or willful violations of section 6 or 7, in an amount not to exceed \$1,000 for each such violation. No penalty is being assessed as a result of this investigation. If at any time in the future your firm is found to have violated the monetary provisions of the FLSA, it will be subject to such penalties. Please be advised that your firm may be randomly selected for re-investigation.

Copies of the FLSA, a Handy Reference Guide and Regulation 578 are enclosed for your reference. If you have any questions about the investigation or about any aspect of the FLSA, please do not hesitate to contact me or Investigator Bauer.

Sincerely,


John R. Kelly
Assistant District Director

Enc: FLSA
Handy Reference Guide
Regulation 578

OT 0000178

U.S. Department of Labor

Wage and Hour Division
201 Varick Street
New York, New York 10014

Telephone: (212) 337-2000
Fax: (212) 620-6957



October 26, 1995

William Tam
The Nice Restaurant
35 East Broadway
New York, New York 10002

Dear Mr Tam:

The Wage Hour Division, U.S. Department of Labor, is responsible for the administration and enforcement of a number of Federal Laws involving labor standards. These include the Fair Labor Standards Act, The Davis-Bacon and Related Acts, and the Contract Work Hours and Safety Standards Act.

I will call at your establishment on Thursday, November 9, 1995 at 10:00 a.m. to audit the payroll records of The Nice Restaurant for the past two years.

For your information, Regulations Part 516, Title 29, Chapter V, Code of Federal Regulations provide that you maintain and preserve payroll or other records containing the following information and data with respect to each and every employee to whom the minimum wage and overtime provisions of the Fair Labor Standards Act apply:

1. Name in full.
2. Home address.
3. Date of birth if under 19.
4. Occupation.
- ✓ 5. Time of day and day of week on which the employee's workweek begins.
- ✓ 6. Regular hourly rate of pay for any week when overtime is worked; explain basis on which wages are paid.
7. Hours worked each workday and total hours worked each workweek.
8. Total daily or weekly straight time earnings or wages due.
9. Total premium pay for overtime hours for the workweek.
10. Total additions to or deductions from wages paid each pay period.
11. Total wages paid each pay period.
12. Date of payment and the pay period covered by the payment.

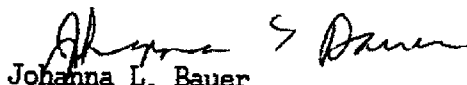
You are required to preserve payroll records for three years and the following records for two years:

1. Supplementary basic records such as basic employment and earnings records, wage rate tables, and work time schedules.
2. Orders, shipping, and billing records.
3. Records of additions to or deductions from wages paid.

Please have these records available for inspection as well; I-9 forms, working papers on employees under the age of 18.

Every effort will be made to conduct this examination expeditiously and with a minimum of inconvenience to you.

Sincerely,


Johanna L. Bauer
Investigator

OT 0000179